

22 remainder of this Act or the application of such provision to persons
 23 or circumstances other than those to which it is held invalid shall
 24 not be affected thereby."

1 SEC. 2. This Act being deemed of immediate importance shall be
 2 in force and effect immediately upon its passage and publication in
 3 The Times Plain Dealer, a newspaper published at Cresco, Iowa, and
 4 in The Decorah Journal, a newspaper published at Decorah, Iowa.

Approved April 6, 1961.

I hereby certify that the foregoing Act, Senate File 20, was published in The Times Plain Dealer, Cresco, Iowa, April 19, 1961, and in The Decorah Journal, Decorah, Iowa, April 13, 1961.

MELVIN D. SYNHORST, *Secretary of State.*

CHAPTER 227

INSTALLMENT ANNUITY PAYMENTS

H. F. 484

AN ACT relating to the computation of net income for Iowa income tax purposes and authorizing the deduction of certain installment annuity payments.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred twenty-two point seven (422.7),
 2 Code 1958, is hereby amended by adding thereto the following sub-
 3 section:
 4 "Subtract installment payments received by a beneficiary under
 5 an annuity which was purchased under an employee's pension or
 6 retirement plan when the commuted value of said installments has
 7 been included as a part of the decedent employee's estate for Iowa
 8 inheritance tax purposes."

Approved May 12, 1961.

CHAPTER 228

ALLOCATION OF INTERSTATE INCOME TAX

H. F. 704

AN ACT relating to the allocation of taxable income to Iowa and doing away with reciprocity and establishing a tax credit for income taxes paid to another state.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred twenty-two point eight (422.8),
 2 Code 1958, is hereby repealed and the following inserted in lieu there-
 3 of:
 4 "Under rules and regulations prescribed by the state tax commis-
 5 sion, net income of individuals, estates and trusts shall be allocated as
 6 follows:
 7 1. The amount of income tax paid to another state or foreign
 8 country by a resident taxpayer of this state on income derived from